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DE RUEHAH #1636 3591525
ZNR UUUUU ZZH
P 241525Z DEC 08
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 2027
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY
RUCNCIS/CIS COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUEHAK/AMEMBASSY ANKARA PRIORITY 4609
RUEHBJ/AMEMBASSY BEIJING PRIORITY 2413
RUEHKO/AMEMBASSY TOKYO PRIORITY 2278
RUEHIT/AMCONSUL ISTANBUL PRIORITY 2857
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RHMFIUU/CDR USCENTCOM MACDILL AFB FL PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY

UNCLAS ASHGABAT 001636

SENSITIVE

SIPDIS

STATE FOR SCA/CEN, EEB

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SUBJECT: TURKMENISTAN GOVERNMENT RELEASES INFLATED COTTON PRODUCTION
FIGURE

REF: Ashgabat 01577

1. (SBU) SUMMARY: On December 15 President Berdimuhamedov released a final (unrealistic) figure for this year's cotton crop and commended provincial Governors on the successful harvest. In addition, while the President stated that the government paid farmers in full at the newly-introduced, higher cotton prices (reftel), according to farmers, this was not the case. The misleading report was window dressing for the state cotton sector aimed at impressing the international community. END SUMMARY.

BERDIMUHAMEDOV RELEASES FINAL COTTON HARVEST FIGURE

2. (U) At the December 15 Cabinet of Ministers meeting, President Berdimuhamedov announced the final cotton harvest figure of 1,000,011 tons. Berdimuhamedov congratulated provincial Governors on the harvest and commended them for fulfilling their cotton quotas in a timely manner. In a nod to market economics, the President said that higher prices now paid to cotton growers made this possible. Berdimuhamedov said that this is the first stage of his reform of the state agriculture sector.

BERDIMUHAMEDOV'S CLAIMS MET WITH SKEPTICISM

3. (SBU) However, the actual status of the cotton sector is not as positive as official assertions claim. The area of 640,000 hectares allocated to cotton growing and the estimated average yield of less than one ton per hectare make local experts doubt the President's cotton harvest figure. According to a local farmer, one hundred hectares of his cotton fields did not yield any cotton at all, or yielded a low harvest due to a lack of irrigation water. In addition, an Embassy contact from Mary province said that the President's statement about Governors' timely harvest completion is not true either. The contact said that a thousand government employees and farmers from Dashoguz province were drafted to pick cotton in Mary province, in order to make it possible for the Governor of Mary to meet the President's deadline. Another Embassy contact in Dashoguz province said that farmers in his village were still waiting for payment for their cotton from the State Cotton Concern, in spite of the fact that Turkmenistan's official media outlets announced that the government paid cotton growers in full.

In fact, the contact said that he received his 2007 cotton money only in March 2008.

¶4. (SBU) COMMENT: The Turkmenistan government continues to view cotton as its chief agricultural crop or "white gold." However, instead of addressing problems in state agriculture, and specifically cotton, sector -- and in order to avoid embarrassment -- the government continues the practice of false reports and window dressing. END COMMENT.

MILES